GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Cooperation Department - Government Guarantee for obtaining of Rs.5,000 Crores as loan to Andhra Pradesh State Cooperative Marketing Federation Ltd. (AP.MARKFED) for procurement of Paddy during Kharif 2021-2022 season in the State from the Working Capital Assistance under direct funding of NCDC or any other Financial Institution and permission for waiver of Government Guarantee commission - Orders - Issued.

AGRICULTURE & COOPERATION (COOP.I) DEPARTMENT

G.O.Ms.No.80 Dated:11.11.2021.

Read the following:-

1. G.O.Ms.No. 9, CA, F & CS (CS.I) Department, dated:19.10.2021.
2. From the M.D., AP Markfed, Vijayawada eFile No. APMF-11/6/2021-ACCOUNTS SEC-APMF, dated:24.10.2021.

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O R D E R:

In the reference 1st read above, Government have issued orders appointing AP Markfed as an additional agency for procurement of paddy during Kharif 2021-2022 and to assist the APSCSCL. Permission was given to AP Markfed to undertake paddy procurement operations in accordance with the procurement policy orders issued from time to time by the Government. The applicable cost of procurement will be released to AP Markfed by APSCSCL soon after funds are received from Government of India, FCI and Government of Andhra Pradesh.

2. In the reference 2nd read above, the M.D. AP Markfed has requested for Government Guarantee for obtaining Rs.5,000 Crores as Working Capital Assistance for procurement of Paddy during Kharif 2021-2022 season in the State under direct funding of NCDC or any other financial institution and also requested for waiver of Government Guarantee commission.

3. Government after careful examination of the proposal of AP Markfed, hereby extends Government Guarantee for obtaining Rs.5,000 Crores as Working Capital Assistance to A.P. Markfed for procurement of Paddy during Kharif 2021-2022 season in the State under direct funding of NCDC or any other financial Institution and also permits waiver of Government Guarantee Commission, subject to the following conditions.

1. That the Government Guarantee is to be utilized / drawn within a period of one year from the date of issue of these orders.
2. The Guarantee will be valid for the entire tenure of the loan period.
3. The Guarantee is extended only for the Principal and Interest part for the tenure of the loan.
4. Submission of repayment schedule of Principal and Interest along with the details such as interest rate, tenure, moratorium period.
5. The Government Guarantee shall come into force in the event of failure to pay obligations to the lending institution by A.P. Markfed.
6. The deed shall not be valid, unless it is signed by the authorized officer of the Finance Department, Government of Andhra Pradesh.

4. The Managing Director Andhra Pradesh State Cooperative Marketing Federation Ltd., Vijayawada shall take necessary action in the matter.

(Contd.,)

5. This order issues with the concurrence of Finance (FMU-HM&FW) Department vide their U.O.No.BUGTOMISC/23/2021, (C.No.1546098), Finance (C&DM) Department, dt:10.11.2021.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

Y.MADHUSUDHANA REDDY
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Managing Director, AP Markfed, Vijayawada.
Copy to
PS to Addl.Secy. to Hon'ble C.M.
The Commissioner for Civil Supplies, Sri Sai Towers, Kanuru, Vijayawada.
The Finance (FMU-A&C, AHDDF&F, CS) Department.
PS to Hon'ble Minister for Agri. & Coop.
The Commissioner for Cooperation & Registrar of Coop. Societies,
AP Guntur.
PS to Prl.Secy. to Govt. (AM&C), Agri. & Coop. Dept.
Sf/Sc.

// FORWARDED :: BY ORDER //

SECTION OFFICER